

**PAID
MAGAZINE**
PUBLISHER'S STATEMENT

Subject to Audit



Audit Bureau
of Circulations

**TIME-THE WEEKLY
NEWSMAGAZINE**

For the six months ended December 31, 2004

Field Served: General News.

Published by Time Inc.

Frequency: 56 times/year

ABC Member # 04-1200-0

Time-The Weekly Newsmagazine

Paid Magazine
Publisher's Statement

For 6 months ended December 31, 2004

AVERAGE PAID CIRCULATION

1	Total Average Paid Circulation:		4,034,061
		% of Total	
	Subscriptions (Individual):	3,860,634	95.7
	Single Copy Sales:	173,427	4.3
	Total Paid	4,034,061	100.0
	Paid Advertising Rate Base/Circulation Guarantee:		4,000,000
	% Above/Below Rate Base (+/-)		0.9

PRICES

2 Prices effective during the six month period ending December 31, 2004

Publisher's Suggested 1 year price	\$72.24
Average Single Copy cover price	\$4.03

2A AVERAGE PRICE

Represents the price of individual subscriptions sold during the 12 month period ending June 30, 2004

Average subscription price: See Par. 9(c)	Net	Gross
Per Copy	\$0.68	\$0.71 (optional)
Annualized (56 issue frequency)	\$38.14	\$39.74 (optional)

Publisher's Suggested 1 year price in effect for average price period, \$72.24.

2B SUPPLEMENTAL ANALYSIS OF PRICES

Gross individual subscriptions sold in the six month period ended December 31, 2004 at below 35% of average net price.

None Claimed

ANALYSIS OF TOTAL NEW AND RENEWAL SUBSCRIPTIONS

3 Total gross individual subscriptions (new and renewal) sold in the six month period ended December 31, 2004

A. DURATION		%	C. CHANNELS		%
(a) One to six months (1 to 28 issues).....	241,844	12.1	(a) Ordered by mail and/or direct request (may include direct mail, renewal mail, insert cards, television, direct mail agents, Internet and e-mail, etc.)	1,649,274	82.4
(b) Seven to eleven months (29 to 51 issues).....	53,417	2.7	(b) Ordered through salespeople:		
(c) Twelve months (52 to 56 issues).....	1,329,560	66.5	1. Catalog agencies and individual agents - includes institutional and library subscriptions.....	16,089	0.8
(d) Thirteen to twenty-four months	308,061	15.4	2. Publisher's own and independent salespeople - includes sales through both direct personal contact and telemarketing efforts for consumer and trade subscriptions.....	99,205	5.0
(e) Twenty-five months and more	66,989	3.3	3. Members of schools, churches, fraternal and similar organizations - includes fund raising programs directed to individuals	235,303	11.8
Total Subscriptions Sold in Period.....	1,999,871	100.0	(c) Association members.....	None	
B. USE OF PREMIUMS			Total Subscriptions Sold in Period.....	1,999,871	100.0
(a) Ordered without premium.....	1,626,125	81.3			
(b) Ordered with material reprinted from this publication, See Par. 9(d)	31,170	1.6			
(c) Ordered with other premiums, See Par. 9(e)	342,576	17.1			
Total Subscriptions Sold in Period.....	1,999,871	100.0			

ANALYSIS OF AVERAGE CIRCULATION

4A PAID BY ISSUES

Issue	Subscriptions	Single Copy Sales	Total Paid	Issue	Subscriptions	Single Copy Sales	Total Paid
July	5	3,850,144	246,015	Oct.	4	3,869,713	154,551
	12	3,816,796	209,525		11	3,901,663	121,454
	19	3,878,384	149,791		18	3,864,790	157,075
	26	3,880,788	144,332		25	3,835,384	186,300
Aug.	2	3,854,993	176,700	Nov.	1	3,857,963	177,000
	9	3,892,412	131,536		8	3,871,245	150,144
	16	3,879,822	164,816		15	3,793,959	226,177
	23	3,908,106	110,399		22	3,860,470	163,000
Sept.	30	3,856,248	171,850	Dec.	29	3,883,917	140,445
	6	3,845,259	184,844		6	3,829,410	202,000
	13	3,866,154	163,676		13	3,853,493	194,000
	20	3,879,462	152,176		20	3,830,477	228,139
	27	3,899,589	122,923	27	3,815,852	280,226	4,096,078

4B SUPPLEMENTAL ANALYSIS OF AVERAGE PAID CIRCULATION

Analysis not required

AVERAGE CIRCULATION of Regional, Metro and Demographic Editions

5

See Page 3

POST EXPIRATION COPIES

6 (a) Average number of copies served on subscriptions not more than three months after expiration. 67,621 1.7%

GEOGRAPHIC DATA for the July 5, 2004 Issue

7A Paid circulation of this issue was 1.5% greater than the total average paid circulation.

Analysis by ABCD County

The January 12, 2004 issue was used in establishing percentages for Subscriptions and Single Copy circulation.

County Size	% of Households	Paid Circulation	% of Total Circulation	Index (% of Circulation/ % of Households)
A	40	1,975,730	48.9	122
B	30	1,151,499	28.5	95
C	15	513,124	12.7	85
D	15	399,994	9.9	66

County Size Group Definitions by the A.C. Nielsen Company- Data for the coterminous 48 states.

AVERAGE CIRCULATION of Regional, Metro and Demographic Editions

5

TIME - THE WEEKLY NEWSMAGAZINE is published in 115 editions. All editions carry the national advertising, plus specific regional and demographic advertising pages. Editorial material is basically identical in all editions. All advertisers may use one or more editions. The domestic edition of TIME - THE WEEKLY NEWSMAGAZINE, whose circulation is represented by this statement is, with relatively few exceptions, sold only to residents of the U.S., Bermuda and United States Possessions.

Residents of Puerto Rico receive the U.S. edition. Canadian subscribers are served their own special edition. All other International countries are served the Atlantic or Pacific Editions.

Edition	Number of Issues	Paid	Rate Base	Edition	Number of Issues	Paid	Rate Base
METRO EDITIONS - GROUP I				DEMOGRAPHIC EDITIONS			
Boston	9	134,654	135,000*	Time Business	21	1,835,121	1,800,000
Chicago	7	149,774	160,000*	Time Top Management	21	967,904	800,000
Detroit	4	98,964	100,000*	Time Global Business	6	1,020,908	1,000,000
Los Angeles	10	258,469	265,000*	TARGETED EDITIONS			
Miami	1	86,608	85,000*	Time Gold (50+)	6	1,007,495	1,000,000
Minneapolis/St. Paul	1	72,003	73,000*	Time Women	6	1,300,035	1,300,000
New York	10	365,363	380,000*	Time Style and Design	2	602,737	600,000
Philadelphia	8	150,388	152,000*				
San Francisco	4	148,116	165,000*				
Washington, DC	7	119,822	115,000*				
STATE EDITIONS							
Alabama	4	38,092	42,000				
Arkansas	2	20,496	27,000				
California	4	529,091	550,000*				
Connecticut	1	77,928	75,000				
Delaware	3	13,158	12,000				
Florida	5	215,757	220,000				
Georgia	4	90,148	86,000				
Louisiana	1	36,809	39,000				
Maine	1	23,971	22,000				
Massachusetts	2	123,476	126,000				
Minnesota	1	80,351	80,000				
Mississippi	4	19,067	20,000				
New Hampshire	2	26,282	24,000				
New Jersey	1	162,153	150,000				
New Mexico	1	23,056	25,000				
New York	3	306,945	325,000				
Oklahoma	1	30,434	31,000				
Oregon	1	47,014	50,000				
Pennsylvania	3	175,989	185,000				
Rhode Island	1	16,852	16,000				
Texas	3	211,626	210,000				
Vermont	1	14,533	12,000				
Virginia	3	107,685	102,000				
West Virginia	3	15,759	20,000				
Wisconsin	1	74,987	81,000				

*Includes newsstand circulation.

7B GEOGRAPHIC DATA for the July 5, 2004 Issue

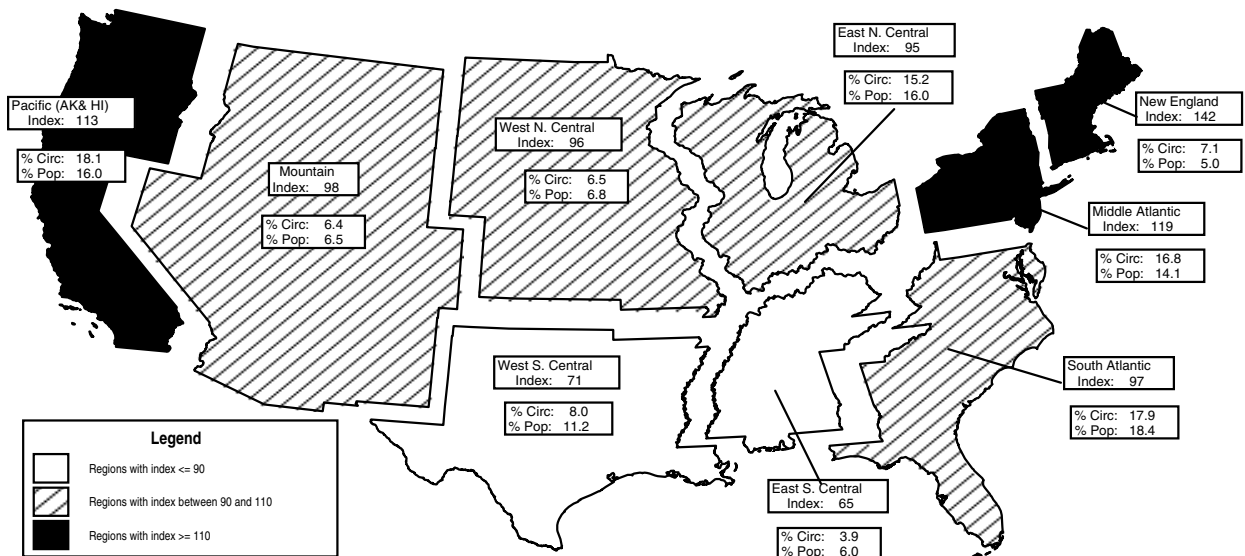
Analysis by State/Province

Subscription and Single Copy Sales figures are based on the percentage for each State/Province determined by analysis of the January 12, 2004 issue and these percentages are projected against the total for the July 5, 2004 issue.

STATE	PAID CIRCULATION			% OF CIRC.
	SUBSCRIP-TIONS	SINGLE COPY SALES	TOTAL PAID	
Maine	21,951	1,184	23,135	
New Hampshire	24,703	1,225	25,928	
Vermont	12,955	655	13,610	
Massachusetts.....	123,885	8,680	132,565	
Rhode Island.....	15,766	916	16,682	
Connecticut.....	72,962	3,470	76,432	
NEW ENGLAND	272,222	16,130	288,352	7.1
New York.....	313,391	21,351	334,742	
New Jersey.....	152,564	9,121	161,685	
Pennsylvania	179,744	7,536	187,280	
MIDDLE ATLANTIC	645,699	38,008	683,707	16.8
Ohio	140,669	6,643	147,312	
Indiana	65,224	3,128	68,352	
Illinois	177,892	8,248	186,140	
Michigan	136,783	5,843	142,626	
Wisconsin	73,649	3,598	77,247	
EAST N. CENTRAL	594,217	27,460	621,677	15.2
Minnesota	81,353	5,212	86,565	
Iowa	34,659	1,078	35,737	
Missouri	64,196	3,441	67,637	
North Dakota.....	7,719	171	7,890	
South Dakota.....	9,236	335	9,571	
Nebraska	20,694	653	21,347	
Kansas	34,557	1,153	35,710	
WEST N. CENTRAL	252,414	12,043	264,457	6.5
Delaware.....	13,039	703	13,742	
Maryland.....	87,123	8,029	95,152	
District of Columbia.....	13,041	2,290	15,331	
Virginia.....	102,828	7,635	110,463	
West Virginia.....	14,880	458	15,338	
North Carolina.....	95,519	4,863	100,382	
South Carolina.....	39,772	1,581	41,353	
Georgia.....	91,331	8,734	100,065	
Florida.....	222,178	16,873	239,051	
SOUTH ATLANTIC	679,711	51,166	730,877	17.9

STATE	PAID CIRCULATION			% OF CIRC.
	SUBSCRIP-TIONS	SINGLE COPY SALES	TOTAL PAID	
Kentucky.....	35,614	1,467	37,081	
Tennessee.....	56,378	2,585	58,963	
Alabama.....	40,633	1,232	41,865	
Mississippi.....	21,260	553	21,813	
EAST S. CENTRAL	153,885	5,837	159,722	3.9
Arkansas.....	20,298	655	20,953	
Louisiana.....	38,887	2,167	41,054	
Oklahoma.....	31,109	1,384	32,493	
Texas.....	217,084	14,556	231,640	
WEST S. CENTRAL	307,378	18,762	326,140	8.0
Montana.....	13,291	586	13,877	
Idaho.....	13,842	760	14,602	
Wyoming.....	6,525	377	6,902	
Colorado.....	69,696	6,112	75,808	
New Mexico.....	22,672	1,381	24,053	
Arizona.....	67,514	4,825	72,339	
Utah.....	24,525	1,445	25,970	
Nevada.....	25,674	3,636	29,310	
MOUNTAIN	243,739	19,122	262,861	6.4
Alaska.....	9,419	1,330	10,749	
Washington.....	87,145	7,047	94,192	
Oregon.....	44,987	3,133	48,120	
California.....	521,045	39,196	560,241	
Hawaii.....	21,828	2,502	24,330	
PACIFIC	684,424	53,208	737,632	18.1
U.S. Unclassified.....		3,603	3,603	0.1
UNITED STATES	3,833,689	245,339	4,079,028	100.0
U.S. Circ. Percent of				
Grand Total.....				99.6
Poss. & Other Areas.....	13,079	676	13,755	0.3
U.S. & POSS., etc.	3,846,768	246,015	4,092,783	99.9
Canada.....				
International.....	117		117	0.0
Other Unclassified.....				
Military or Civilian				
Personnel Overseas..	3,259		3,259	0.1
GRAND TOTAL	3,850,144	246,015	4,096,159	100.0

Index = Geographic Distribution of % Circulation ÷ % Population



ANALYSIS OF ANALYZED NON-PAID

8 This publication does not report analyzed non-paid circulation

EXPLANATORY

9 (a) Publisher Suggested Prices: Average Single Copy: U.S., \$3.95 on 24 issues and \$4.95 on 2 issues (7/5/04, 12/27/04).

(b) Average non-analyzed non-paid circulation for the 6 month period: 164,029 copies per issue.

(c) This publication publishes double issues during the year. Each double issue represents two copies of service during the subscription period. This publication published five double issues during the average price calculation period. The average price and annualized price are based on 56 issues.

(d) A printed publication, "TIME Capsule", with no advertised or stated value, was offered with some subscriptions.

(e) A personal organizer, camera, travel bag, radio, clock or watch, with no advertised or stated value, was offered with some subscriptions.

(f) It is the practice of the publisher to expire all subscriptions on a monthly basis; therefore, some subscribers may receive from one to four more issues than entitled to, but no offer of this kind is made to subscribers.

(g) Airline Frequent Flyer Mile Subscriptions: the average of 385,366 copies per issue, included in Par. 1, represents copies served to subscribers in exchange for the redemption of airline frequent flyer miles. Subscriptions were sold at 56 issues for \$31.77 to \$50.00, in exchange for the redemption of 1,300 to 2,000 points at the rate of 2½¢ per mile.

(h) 121,821 subscriptions were sold in combination during this statement period.

Combination Publication	Subscriptions Sold	Subscription Term	Price of Combination	Publisher's Suggested Price
Time For Kids	104,092	26 issues	\$29.95-\$43.15	\$24.95
Entertainment Weekly	9,972	20-162 issues	\$21.00-\$149.75	\$21.80-\$176.58
Sports Illustrated	4,016	55-280 issues	\$39.00-\$195.00	\$87.45-\$445.20
Various Newspapers	1,489	26-52 weeks	\$90.00-\$215.65	\$75.00-\$213.20
Various Magazines	1,312	various	\$25.00	various
Sports Illustrated For Kids	664	6-39 issues	\$19.95-\$89.05	\$14.75-\$95.85
Golf	276	12-36 issues	\$29.99-\$89.97	\$19.95-\$59.85

Several test offers were made, none of which produced more than one percent of Total Subscriptions Sold in Period. All of these special offers taken together produced 0.25% of Total Subscriptions Sold in Period.

SUPPLEMENTAL ANALYSIS OF AVERAGE PAID CIRCULATION

(i) Included in Par. 1 is an average of 265,046 copies per issue, representing sales from various partnership relationships.

An average of 134,259 copies represents a relationship with America Online wherein this publication was bundled with an AOL monthly fee. The total sales price was \$23.90. Purchasers were advised that \$22.95 of the sales price was allocated to this publication for a 1 year subscription. The purchaser was able to deduct the amount of the magazine subscription if desired. The deduction was processed as a rebate.

An average of 93,705 copies represents various partnership relationships wherein the magazine was included with purchases of \$50.00 to \$500.00 from various retailers. The value of each subscription was \$50.00. The purchaser was able to deduct the amount of the magazine subscription if desired. The deduction was processed as a rebate.

An average of 37,082 copies represents a relationship with Princeton Review wherein this publication was offered with the purchase of a test preparation course. The total sales price was \$800 to \$1,500. Purchasers were advised that \$9.99 of the sales price was allocated to this publication for a 6 month subscription. The purchaser was able to deduct the amount of the magazine subscription if desired. The deduction was processed as a rebate.

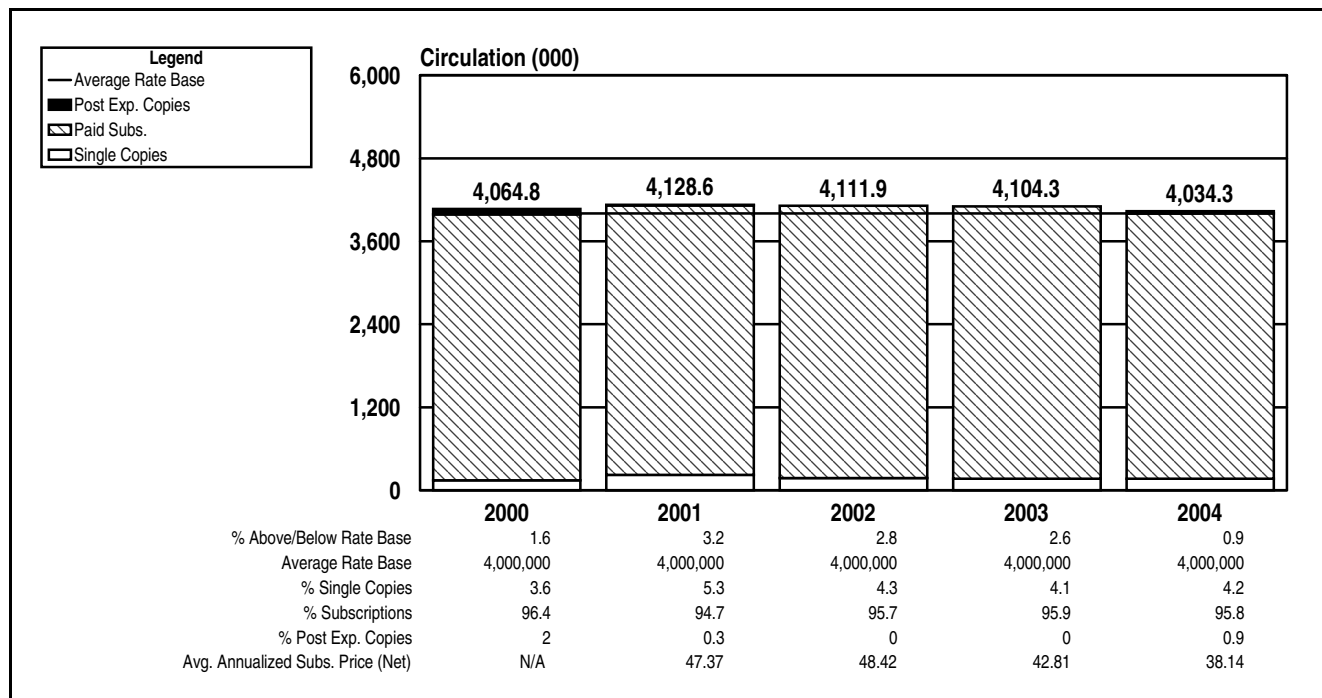
(j) The following averages are at least 5% but not greater than 10% of average paid subscription circulation for the reporting period, and annotated here per applicable rules.

Sponsored Sales 284,025

Sponsored Sales: this average represents copies purchased by various business concerns in quantities of 11 or more.

FIVE YEAR ANNUAL TRENDS

10 Total average paid circulation as reported in June and December Publisher's Statements



VARIANCE

11 Latest released Audit Report for 12 months ended June 30, 2003; Variation from Publisher's Statements

Audit Period Ended	Rate Base (Paid)	Audit Report (Paid)	Publisher's Statements (Paid)	Difference (Paid)	Percentage of Difference (Paid)
06-30-03	4,000,000	4,115,842	4,103,218	12,624	0.3
06-30-02	4,000,000	4,199,139	4,154,290	44,849	1.1
06-30-01	4,000,000	4,066,063	4,059,195	6,868	0.2
06-30-00	4,000,000	4,097,095	4,099,201	-2,106	-0.1
06-30-99	4,000,000	4,089,374	4,071,502	17,872	0.4

We certify that to the best of our knowledge all data set forth in this Publisher's Statement are true and report circulation in accordance with Audit Bureau of Circulations' Bylaws and Rules.

Parent Company: Time Inc.

TIME-THE WEEKLY NEWSMAGAZINE, published by Time Inc. • Time & Life Building, Rockefeller Center • New York, NY 10020

JOHN REESE

Consumer Marketing Director

EDWARD R. McCARRICK

Worldwide Publisher

Date Signed: January 26, 2005

Sales Offices: Atlanta 404-364-4010; Boston 617-954-9401; Chicago 312-321-7926; Dallas 972-387-8562; Detroit 248-988-7783; Los Angeles 310-268-7321; New York 212-522-1395; San Francisco 415-434-5210; Washington, D.C. 202-861-4077

P: 212.522.1212 • URL: www.time.com

Established: 1923 ABC Member since: 1924

04-1200-0	Analyzed Issue Date	07/05/04
	Analyzed Issue Text (for double month issue date)	
	Average Single Copy Price	4.03
	Association Subscription Price	
	U.S. Subscription Price	72.24
	Canadian Subscription Price	
	International Subscription Price	